



BEAUMONT-CHERRY VALLEY WATER DISTRICT
560 Magnolia Avenue, Beaumont, CA 92223

**MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
Wednesday, May 14, 2025 at 6:00 p.m.**

*Meeting held in person at 560 Magnolia Ave., Beaumont, CA
pursuant to California Government Code Section 54950 et. seq.*

Call to Order: *President Slawson opened the meeting at 6:08 p.m.
Pledge of Allegiance was led by Director Ramirez.
Invocation was given by President Slawson.*

**Announcement and Verification of Remote Meeting Participation Pursuant to
AB 2449 or GC 54953(b)**
No directors were attending via teleconference.

Roll Call:

| | |
|--------------------|---|
| Directors present: | Covington, Hoffman, Ramirez, Slawson, Williams (6:15 p.m.) |
| Directors absent: | None |
| Staff present: | General Manager Dan Jagers Director of Finance and Administration Sylvia Molina Director of Engineering Mark Swanson Director of Information Technology Robert Rasha Director of Operations James Bean Human Resources Manager Ren Berioso Customer Service Supervisor Sandra Delgadillo Associate Civil Engineer I Evan Ward Engineering Assistant Khalid Sebai Development Services Technician Lilian Tienda Executive Assistant Lynda Kerney |
| Legal Counsel | James Markman |

Members of the public who registered attendance: Nyles O'Harra, Brian King, David Hendryx, Casey Crampton, Marji Gillman, Ted Manus, Pat Aspan, Rhea Weber, Therese Isermann, Ruth Jetmore, Mary Daniel, Sharon Hamilton, Steve Matthews, Pam Lindgren, James Krausz, Jeane Rossiter, Inge Schuler, Diego Rose, Dr. Blair Ball.

Public Comment:

Dr. Blair Ball commented on the public's retention of control over legislative bodies, and Board member expenses. He requested the President agendaize at the next meeting the actual expenditures of each named director, along with discussion of the appropriateness of providing directors with health insurance.

Jeane Rossiter commented on director compensation for meetings and the provision of director health insurance. She asked if there was a low income plan for water and how many more would be added with the rate increases. She encouraged drilling wells and exporting water to offset costs, and investment of District funds to accrue interest. She requested the Board advise what will be done to save the ratepayers money.

6:15 p.m. Director Williams arrived.

James Krausz acknowledged the District's work last year on Appletree Lane, the infrastructure project underway in Edgar Canyon and the tough decisions the Board must make. He noted the Board's responsibility to consider that times are becoming tough for many and commented on the Board's meeting expenditures. He requested the Board look carefully at the budget and pare down to what is essential.

Sharon Hamilton commented on rising costs. She noted that the water utility is a monopoly, and water is necessary for survival. All have had to cut back, the elected officials must be fiscally responsible and cut in every way possible to keep rates down, she stated.

Steve Matthews said the justification for rate increases at earlier meetings was understandable, but it is hard to justify the wide range of expenses for Board member conferences. He asked the Board to be sensitive to the fact that it is difficult for ratepayers to pay the increases, and stated the Board needed to be more fiscally responsible.

Diego Rose commented on the rate increases. He noted that often the Board receives compensation for meetings that have nothing to do with water. He also commented on the large expense for software programming that does not appear to show efficiency coming back to the rates. He stated that many things agencies do are of no benefit to him. He indicated that rate increases should be relative to increases that the public is seeing.

1. Adjustments to the Agenda: General Manager Jagers requested that Item 8 be heard after Item 3.

2. Reports / Presentations / Information Items

The Board received and filed the following reports:

- a. Quarterly Report: Grant Activity Update
- b. Quarterly Report: Review of District Contract Expenditures in FY 2024
- c. Year-To-Date Analysis of Electric Cost to Pump Groundwater
- d. California Water Supply Conditions and Water Issues
- e. Legislative Action and Issues Update
- g. Townsend Public Affairs, Inc. Monthly Update

by the following roll-call vote:

| | | |
|-----------------|--|--------------|
| MOVED: Williams | SECONDED: Ramirez | APPROVED 5-0 |
| AYES: | Covington, Hoffman, Ramirez, Slawson, Williams | |
| NOES: | None | |
| ABSTAIN: | None | |
| ABSENT: | None | |

Director Covington requested item f be pulled for discussion.

Director of Finance and Administration Sylvia Molina presented the award. She acknowledged the Finance and Audit Committee and District staff efforts and described the budget process. General Manager Jagers added comments about District history and transparency. He explained the District runs very lean, but costs are increasing, including due to unfunded mandates.

Board members commented on the efforts of the staff.

The Board received and filed the following reports:

- f. Operating Budget Excellence Award from the California Society of Municipal Finance Officers for BCVWD's FY 2025 Operating Budget and 2025-2029 Capital Improvement Budget
by the following roll-call vote:

| | | |
|------------------|--|--------------|
| MOVED: Covington | SECONDED: Hoffman | APPROVED 5-0 |
| AYES: | Covington, Hoffman, Ramirez, Slawson, Williams | |
| NOES: | None | |
| ABSTAIN: | None | |
| ABSENT: | None | |

3. Consent Calendar

Consent Calendar items 3d through 3f were approved with one motion by the following roll-call vote:

- d) Approval of April 2025 Invoices
e) Minutes of the Regular Meeting of March 27 , 2025
f) Minutes of the Regular Meeting of April 9, 2025

| | | |
|-----------------|--|--------------|
| MOVED: Williams | SECONDED: Ramirez | APPROVED 5-0 |
| AYES: | Covington, Hoffman, Ramirez, Slawson, Williams | |
| NOES: | None | |
| ABSTAIN: | None | |
| ABSENT: | None | |

Director Covington requested items 3a, 3b, and 3c be pulled for discussion. He noted the content of the financial reports and advised that they were available in the Board meeting agenda packets each month, and on the website.

Director Ramirez noted that water purchases from the San Geronio Pass Water Agency (SGPWA) were also found in the financial reports. General Manager Jagers noted that BCVWD receives no ad valorem tax revenue as other agencies do and pays a wheeling rate of \$399 per acre foot to the SGPWA for imported water, totaling about \$4 million per year. Director Ramirez clarified that ratepayers are taxed by the SGPWA.

Consent Calendar items 3a through 3c were approved with one motion by the following roll-call vote:

- a) Review of the March 2025 Budget Variance Reports
- b) Review of the March 31, 2025 Cash/Investment Balance Report
- c) Review of Check Register for the Month of April 2025

| | | |
|----------------|--|--------------|
| MOVED: Slawson | SECONDED: Covington | APPROVED 5-0 |
| AYES: | Covington, Hoffman, Ramirez, Slawson, Williams | |
| NOES: | None | |
| ABSTAIN: | None | |
| ABSENT: | None | |

At the request of staff, President Slawson called Item 8 out of order.

8. Presentation: Understanding Water Billing at BCVWD: Addressing Customer Concerns

General Manager Jagers explained this presentation is in response to an inquiry from a customer and was requested by Director Williams.

Customer Service Supervisor Sandra Delgadillo discussed a customer's complaint about a high bill and provided a presentation on the District's new AMR / AMI system and actions in response to the customer. She explained the billing system, and staff's analysis and validation of meter reads.

Jagers added detail about the AMR / AMI system, noting that staff worked to be cost effective. Director Ramirez pointed to the Board's education leading to direction to staff to pursue grant funding, and Jagers confirmed the receipt of a \$1.25 million grant for the project.

Director Ramirez asked if the District had noted a decline in water loss, and Jagers explained that water loss had been curtailed by 5 to 6.5 percent over the last four or five years due to replacement of pipelines, and installation of new meters.

General Manager Jagers noted that there are always speed bumps in a transition, and assured the Board that staff is working on active solutions to address concerns as they come up. Jagers led more detailed discussion on the AMR / AMI system. Director Covington pointed out savings in labor costs on meter reading.

President Slawson invited public comment. Mr. James Krausz reiterated his earlier comment on the disparity between technology and actual efficiency. He asked if the AMR / AMI system with real time feedback would be cost effective in the event of a customer with a leak or running water. Mr. Jagers noted that when the AMI component is fully implemented, it is expected that the customer interface along with artificial intelligence will be expected to respond and notify customers. Mr. Krausz questioned if the savings in water waste would be

enough to justify the improvements. Mr. Jagers explained the opportunity to save each consumer given the State's Making Conservation a Way of Life mandates.

4. Call for Candidates for the Association of California Water Agencies Region 9 Board

The Board nominated Director Lona M. Williams as a candidate for the Region 9 Board by the following roll-call vote:

| | | |
|----------------|--|--------------|
| MOVED: Ramirez | SECONDED: Slawson | APPROVED 5-0 |
| AYES: | Covington, Hoffman, Ramirez, Slawson, Williams | |
| NOES: | None | |
| ABSTAIN: | None | |
| ABSENT: | None | |

5. Call for Candidates for the Association of California Water Agencies for the offices of President and Vice President, and/or Resolution of Support

The Board nominated Moulton Niguel Water District General Manager Joone Lopez as a candidate for ACWA President or Vice President by the following roll-call vote:

| | | |
|----------------|--|--------------|
| MOVED: Ramirez | SECONDED: Slawson | APPROVED 5-0 |
| AYES: | Covington, Hoffman, Ramirez, Slawson, Williams | |
| NOES: | None | |
| ABSTAIN: | None | |
| ABSENT: | None | |

6. Request for Update to Will-Serve Letter for Proposed Development Known as Monte Vista Homes (existing Assessor's Parcel Nos. 408-080-004 & -005) located east of Orchard Heights Avenue and south of Norman Road

Associate Civil Engineer I Evan Ward advised that at the meeting of February 12, 2025, the Board had approved a Will Service Letter for 46 Equivalent Dwelling Units (EDUs) and the applicant has reconfigured the site plan and is requesting an additional three EDUs. Director Ramirez asked staff to confirm that there is sufficient water supply to serve the project. General Manager Jagers pointed to the Urban Water Management Plan adopted in 2020 and advised that the actual demand is a couple thousand acre-feet less than projected. He advised that the water supply for the planning period of 20 years was sufficient and also pointed to the SGPWA water supply portfolio and the Governor's push to complete the Delta Conveyance Project (DCP), for water supply in the long term.

The Board approved the request for update to Will-Serve Letter for Monte Vista Homes, a single-family residential project located east of Orchard Heights Avenue and south of Norman Road in the City of Beaumont to add three EDUs by the following roll-call vote:

| | | |
|----------------|-------------------------------------|--------------|
| MOVED: Hoffman | SECONDED: Ramirez | APPROVED 5-0 |
| AYES: | Hoffman, Ramirez, Slawson, Williams | |
| NOES: | None | |
| ABSTAIN: | Covington | |
| ABSENT: | None | |

7. Resolution 2025-14: Amending the District's Policies and Procedures Manual:

- a. Policy 4060 Training, Education and Conferences
- b. Policy 4065 Remuneration / Director Per Diem
- c. Policy 4070 Payment or Reimbursement of Expenses Incurred on District Business
- d. Policy 4075 Expenditure Reimbursement Procedure
- e. Policy 5040 Capital Assets
- f. Policy 7003 Cloud Computing
- g. Policy 7005 Internet Use and Personal Social Media Ethics
- h. Policy 5100 Press Relations and District Social Media

Human Resources Manager Ren Berioso led the discussion of proposed revisions to eight policies contained in Part II of the District's Policies and Procedures Manual, emphasizing transparency and alignment with current law. To prepare the draft revisions, staff consulted several sources including other districts' policies, and legal references. All policies were recommended through the committee process and were vetted by legal counsel.

General Manager Jagers added that this agency takes a proactive approach to policy modification, and the policies are robust and complete. An ad hoc committee was formed at the beginning of the year to address the Board-related policies, and staff provides industry standard sample policies from other agencies for consideration, he noted. Director Ramirez emphasized that the Board actively appointed committee members to work on these policies, and the focus was first on safety-related issues. Director Covington assured that committee discussion is robust and thorough.

Policy 4060 – Training, Education and Conferences: Directors should be well educated to serve the public, Mr. Berioso stressed. This policy ensures compliance with the Government Code. He reviewed the proposed changes and drew attention to the use of US General Services Administration (GSA) published per diem rates.

Policy 4065 – Remuneration / Director Per Diem: Per diems based on days of service rely on attendance, therefore the ad hoc committee recommended that qualifying attendance should be 75 percent of a meeting, training, or other event.

Designated representatives will be eligible for compensation; alternates are eligible if the designated rep is not able to attend.

Director Covington noted that the ad hoc committee felt it important to memorialize the majority of a presence at a meeting, as it had been unclear. He also noted the addition of events not authorized for compensation to align with the Annual List of Preapproved Events.

Policy 4070 – Payment or Reimbursement of Expenses Incurred on District Business: Public servants are expected to be fiscally responsible and should attend events in the most cost effective way. The revision is holistic but flexible for the Board and ensures transparency. Director Covington pointed out that the list of non-reimbursables was updated and broadened from four to 14 items.

Mileage reimbursement was updated to reflect the lesser of travel from either point of departure or the District administrative office.

The Board commented on the inadequacy of the United States General Services Administration (USGSA) per diem rates for lodging. Staff noted that the General Services Administration (GSA) is a guideline, and staff relies on the assumption that reimbursable reasonable and necessary expenses are automatically approved via adoption of the Annual List of Preapproved Events and via the monthly agenda item on Upcoming Events. Director Williams pointed out that the US GSA is referenced but the specific rates for lodging and meals vary by location. Staff should always be making the arrangements, she noted.

Rental vehicles must be preapproved as part of the event plan. Directors Covington and Williams emphasized that rental cars are costly and not often necessary, and Director Ramirez recommended always checking the cost of ridesharing due to its variable pricing.

Meal reimbursement was clarified as related to the US GSA per diem limits. The District relies on a daily maximum, e.g. if the travel allows two meals, the two per diem amounts may be aggregated, and reimbursement would be limited to the combined amount.

No show and late cancellation policies were added, and the credit card policy will be made a standalone item.

The Board made the following changes to proposed Policy 4070:

- Duplicate the language on lodging expenses in the Cost Control introductory section.
- Under Transportation, change “rideshare service should be considered primary,” to “*shall be ...*”
- Delete reference to “original” receipts (electronic or paper are acceptable)

8:52 p.m. President Slawson called a recess

9:03 p.m. The Board reconvened

Policy 4075 – Expenditure Reimbursement Procedure: This policy is applicable to Board members and employees. In response to Director Ramirez, staff provided

assurance that the policy is in alignment with all law and industry standards and is more robust than that of some other agencies.

Mr. Jagers emphasized that the expense report must be submitted to Finance and Administration within 30 days of the expense.

The policy makes a provision for Board approval of post-event expense reimbursement if necessary.

Public Comment:

Dr. Blair Ball offered comments on:

- Required Ethics Training for Board members
- Stewardship of public resources: compensated meetings must be of direct benefit to the District
- The policy specifies there is no limit to number of Board members attending a conference
- Some Board members chase meetings which are not of benefit to the District to get per diems
- There is a huge discrepancy between directors' costs. The Board needs to discuss control of their own budget.
- Former BCVWD directors Dr. Ball and Stella Parks crafted the original policy document without a thought of compensation, but the concept of public service has shifted to personal gain
- Several Board members have attended the Chamber of Commerce breakfasts, which have absolutely nothing to do with the District. Closing this loophole would save \$15,000 a year
- Annual costs for these total more than \$100,000
- District meetings have had to be postponed due to director attendance at outside events
- The Water Code allows 10 days of compensated service per month, but the District should limit it to five or six, otherwise a director could earn as much as \$30,000
- Policy section 4075.4: for a meeting not already approved, a policy statement should be included that any director who wants to attend a non-preapproved event should be disqualified from voting on approval of that meeting
- Some travel and events appear to have nothing to do with the District
- Requested the Board revisit approval for attending the Tri-State conference

Dr. Ball said he is doing this to help the Board police themselves, and recommended continuance of this item.

Policy 5040 – Capital Assets: This policy combines and updates policies 7 and 8 which reflects best practices, government accounting standards, and Government Finance Officers Association (GFOA) recommendations. Primary changes are the capitalization threshold to account for inflation and update of categories. This improves consistency with the Annual Comprehensive Financial Report (ACFR). It has been reviewed by legal and the District's auditors.

Policy 7003 – Cloud Computing: This policy covers day to day operations by employees to prevent cybersecurity threats and prevent data breach. All cloud providers are vetted by IT. Director of IT Robert Rasha explained that if directors are using District-provided resources then this policy applies and responded to questions from Director Ramirez.

Policy 7005 – Internet Use and Personal Social Media Ethics: This policy is now a standalone, removed from Policy 5100 and was drafted by legal counsel to assure preservation of First Amendment rights. It applies only to employees. It applies on a case by case basis and includes consequences. The District will not police anyone's social media; an investigation will be warranted when a complaint is received. Director Covington pointed to the sensitivity of this policy and acknowledged the concern of staff members, and said it was thoroughly discussed by the committee.

Policy 5100 – Press Relations and District Social Media: The title change assures clarity that this applies to District social media. The policy follows state and federal law.

Mr. Rasha provided clarity on the National Institute of Standards and Technology (NIST) in response to Director Ramirez. Mr. Berioso pointed out the IT policies are also submitted to MISAC.

The Board adopted Resolution 2025-14 Amending the District's Policies and Procedures Manual:

4060 Training, Education and Conferences

4065 Remuneration / Director Per Diem

4070 Payment or Reimbursement of Expenses Incurred on District Business

4075 Expenditure Reimbursement Procedure

5040 Capital Assets

7003 Cloud Computing

7005 Internet Use and Personal Social Media Ethics

5100 Press Relations and District Social Media

by the following roll-call vote:

| | | |
|------------------|--|--------------|
| MOVED: Covington | SECONDED: Ramirez | APPROVED 5-0 |
| AYES: | Covington, Hoffman, Ramirez, Slawson, Williams | |
| NOES: | None | |
| ABSTAIN: | None | |
| ABSENT: | None | |

8. Presentation: Understanding Water Billing at BCVWD: Addressing Customer Concerns

This item was heard earlier in the meeting.

9. Presentation and Discussion of a Joint Communities Facilities Agreement for the Proposed Tract 31462 Phases IVB and IVC (Fairway Canyon Development) located West of Tukwet Canyon Parkway and North of Oak Valley Parkway

Director of Engineering Mark Swanson reminded the Board of previous discussion of the request for participation in the Joint Communities Facilities Agreement (JCFA) which covers the backbone pipelines associated with the final development of the last portions of the Fairway Canyon development. The Board approved the moving forward of the JCFA, and it then went to the City of Beaumont (City), where formation of the Community Facilities District (CFD) did not move forward. The developer has now begun to move forward with Beaumont Unified School District (BUSD) as lead agency.

Mr. Jagers added that staff has a neutral position; this is a policy issue and staff will take Board direction. The City declined to take action on formation of the JCFA, Swanson noted. Staff would need Board consensus to move forward with a different lead agency. It will be brought back for Board approval.

Legal Counsel Markman indicated he had received documents from the developer for review, that would now have to be revised due to the change. The City has refused to be part of the CFD, which is a problem because the school district is just another special district, not the land use agency controlling the entitlements (the City is), he noted.

Mr. David Hendryx representing Meritage Homes explained the lack of action by the Beaumont City Council, despite the support indicated in the staff report, and subsequent approach to BUSD. A new elementary school is being built, BUSD is working with Meritage on a CFD for school fees, and was receptive to this opportunity to be the lead agency. A Resolution of Intention will be on the BUSD Board agenda on June 10, therefore Meritage wanted to bring the BCVWD Board up to date on this potential change.

The final section of eligible improvements will commence June 2 on Oak Valley Parkway, Mr. Hendryx continued. All the safeguards in regard to the way the improvements are completed are bonding, and nothing changes from the way things have been presented to date. Mr. Hendryx would return to the Board at the June 25 meeting for further discussion on a Resolution of Intention, and moving forward with the JCFA. The only changes on the document provided to Legal Counsel Markman relate to the lead agency. Everything else remains the same.

Mr. Markman asked questions about the relationship of the school district, noting that he has never seen an instance where the entitlement agency (City) steps out of the picture. He clarified that BCVWD does not want to be the lead agency. Mr.

Hendryx explained the sale of bonds for school district acquisition of land and construction, all related to the overall Fairway Canyon project. The school will be taking potable and nonpotable water service from the District's pipeline, he noted.

President Slawson noted that it is unusual but not unheard of not to have a city as lead agency. Mr. Markman noted it seems the bond agents do not mind that the City is not the lead agency, although that is uncommon. President Slawson said he would like to know why the City took no action.

Mr. Jagers reminded that the Board has not yet approved the CFD and has not committed to anything; this is for discussion at the request of the developer. Mr. Markman indicated the Board would need to adopt a plan for the facilities and there are many steps to be able to market those bonds.

Director Ramirez recommended taking the steps in chronological order so as not to get ahead of or behind in the process. Waiting for the school board will also allow time to inquire with the City and determine if anything has been missed.

Counsel Markman recommended bringing the item back to the Board with more information after the school board meeting. Mr. Jagers indicated the June 26, 2025 Engineering Workshop.

Mr. Hendryx concluded by advising that the developer is closing out the first 430 home sites and has 366 more which the infrastructure now going in will support. He complimented the engineering staff on moving plans forward.

10. Consideration of Attendance at Upcoming Events and Authorization of Reimbursement and Per Diem

President Slawson tabled this item.

11. Reports For Discussion and Possible Action

President Slawson tabled items a, b, c, and d

- a. Ad Hoc Committees:
- b. Standing Committees
- c. Directors' Reports
- d. Directors' General Comments
- e. General Manager's Report. Mr. Jagers reported:
 - Pipelines are being installed along Palm Avenue to accommodate Well 1A flushing
 - The City may make Stewart Park available for flushing the second well
 - 800 feet of the ARPA-funded B-line pipeline is being constructed in Edgar Canyon and the project is encountering large boulders

f. Legal Counsel Report: None.

12. Topic List for Future Meetings

| | Item requested | Date of request | Requester |
|---|--|---------------------|-----------|
| A | Report on alternative energy sources and storage (Agendize in August per Dan Jagers 2/27/25) | 1/23/25 and 2/12/25 | Ramirez |

13. Announcements

President Slawson pointed out the announcements:

- Personnel Committee: Tuesday, May 20 at 4:30 p.m.
- Engineering Workshop: Thursday, May 22 at 6 p.m.
- District Office closed in observance of Memorial Day: Monday, May 26
- San Geronio Pass Regional Water Alliance: Wednesday, May 28 at 5 p.m.
- Beaumont Basin Watermaster Committee: Wednesday, Jun. 4 at 11 a.m.
- Finance & Audit Committee meeting: Thursday, June 5 at 3 p.m.
- Regular Board Meeting: Wednesday, June 11 at 6 p.m.

14. Closed Session: 10:22 p.m.

President Slawson announced the following Closed Session items:

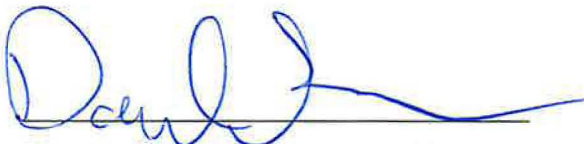
- CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to California Government Code Section 54956.8
Property: Potential well sites
Agency Negotiator: Dan Jagers, General Manager
Under Negotiation: terms

Reconvene in Open Session: 10:52 p.m.

15. Report on Action Taken During Closed Session

President Slawson stated that there was no reportable action taken.

16. Adjournment: *President Slawson adjourned the meeting at 10:52 p.m.*



Director Daniel Slawson, President
to the Board of Directors of the
Beaumont-Cherry Valley Water District

ATTEST:



Director Andy Ramirez, Secretary
to the Board of Directors of the
Beaumont-Cherry Valley Water District